

February 2023

LCV market overview

For what it's worth - February

A sluggish start to the New Year?

In recent years, in the aftermath of the Christmas holidays, the LCV used wholesale market tends to get off to a sluggish start. This year was no different. Auction officials we spoke to during the first week of January reported that online attendances were lower than expected and some of their biggest buyers were conspicuous by their absence, most likely taking an extended holiday break. However, generally, they were optimistic that stock levels would improve and that demand levels seen towards the end of last year were set to continue.

How right they were!

According to the latest auction catalogues, there is plenty of stock around and bidding has been fast-paced with reports of high numbers of buyers logging in, respectable first-time sale conversion rates and strong price performances against the guide.

In January, there is always that question of whether the used stock levels are sustainable or whether we are just seeing pent-up supply from when the market slowed down in the run-up to Christmas. The honest answer is we don't really know.

Auction officials continue to express their concerns over the supply of used LCV stock over the longer term. It seems that gone are the days when leasing companies could accurately predict when and how many vehicles were coming off contract. Vehicle replacement cycles have been severely disrupted due to the pandemic and the automotive component supply crisis. Given the long lead times and continuing uncertainty over the supply of new LCVs, generally, fleet operators are hanging onto their existing vehicles until they can be replaced.

This situation is exacerbated by the news that the order book for Ford Custom has now been closed, as we await the arrival of All-New Custom. Most of the vehicles from the final production run will already have been allocated and those that haven't are likely to be snapped up very quickly. As the biggest-selling LCV in the UK, we are expecting the used market to be starved of used Custom stock for a while. Scarcity, in what is the largest LCV sector, is likely to put upward pressure on market prices of not only Ford Custom and other marques in the medium van sector.

The average age and mileage profiles of used stock continue to increase, along with correspondingly more body and paint damage as well as mechanical and electrical defects. Whilst ready-to-retail vehicles are easily sold, with the cost and time taken to prepare a vehicle for sale, trade buyers are naturally cautious when bidding on damaged vehicles.

Commercial editorial

By cap hpi

Overall average guide price movements in this edition

Based on the average price that trade buyers are paying for vehicles in the open market, the average guide price movement we have made in this edition, across all LCV sectors at 3 years/60k is -2.2%.

Used light commercial vehicle cumulative movements 3 years/60k (all sectors)

The charts below show the cumulative guide price movements across all LCV sectors at 3 years/60k miles.

Cumulative Guide Price Movements	
Year	% Change
2019	-17.9%
2020	14.4%
2021	16.5%
2022	-18.8%
2023	-2.40%

During 2019, on average, the guide prices at 3 years/60k went down by -17.9%. Whilst this downward trend is greater than we would normally expect, nonetheless, it does reflect the natural age depreciation of the 3 years/60k plate.

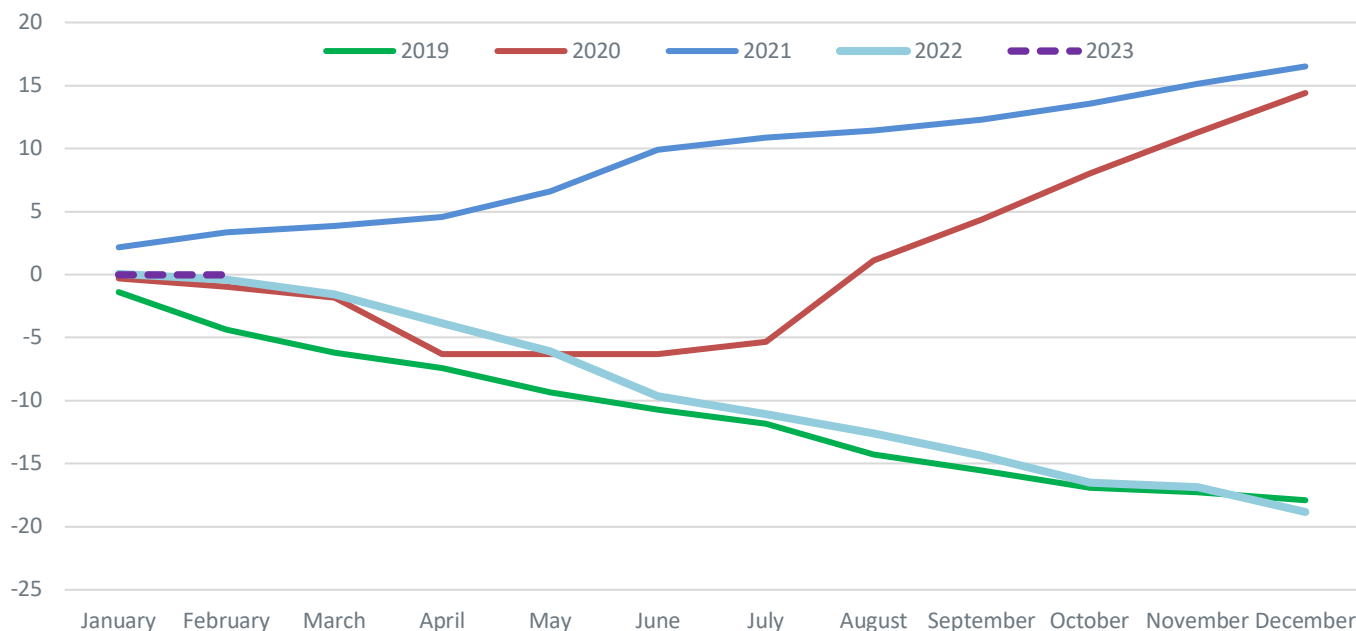
Whereas in 2020 and 2021, wholesale market prices rocketed by 14.4% and 16.5% respectively. In total the guide prices increased by a staggering +30.9%.

During 2022, guide prices steadily decreased month on month across all LCV sectors as used LCV stock shortages began to ease.

The chart below depicts the stark contrast in guide price movements between 2020 - 2021 (blue and brown trend lines) and the dotted light blue trend line which represents the price movements in 2022.

The purple dotted line represents the average cumulative movements of -2.4% we've made this year across all sectors.

LCV Used Values - Monthly % Movements (Cumulative)



Excludes plate uplifts

Commercial editorial

By cap hpi

Research data – sector market share trends

This table shows how the monthly sales transaction data we collect is broken down into the various LCV sectors. Due to the large amount of data represented in this table, subtle percentage variances can amount to a significant number of sales transactions.

LCV Sector	Nov-22	Dec-22	Jan-23
City Van	2.8%	2.5%	2.9%
Small Van	21.4%	21.4%	19.4%
Medium Van	34.1%	34.4%	38.4%
Large Van	16.2%	15.2%	13.7%
Over 3.5T	0.4%	0.4%	0.5%
All Terrain Workhorse	2.6%	2.7%	2.3%
All Terrain Lifestyle SUV	13.9%	15.6%	14.6%
Forward Control Vehicle	0.1%	0.1%	0.1%
Chassis - Derived	5.1%	4.4%	5.5%
Mini-bus	0.5%	0.3%	0.4%
Vat Qualifying	2.8%	3.0%	2.3%

Indicative guide price movements by sector

The following tables illustrate, in percentage terms, the average price movements made in each sector for a range of registration plates and mileage breakpoints. They are intended to give a feel of how the market has changed between editions of the guide. Individual models may have moved differently so you should always consult the guide for precise details of any changes we have made. Blank spaces in all of the following tables indicate that a particular model is not available at that age and mileage, whereas a zero percentage means the guide price has not been changed in this edition.

Sector	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
City Van	-0.3%	-0.4%	-0.6%	-0.8%	-2.1%
Small Van	-0.8%	-0.9%	-0.9%	-0.9%	-1.0%
Medium Van	-0.6%	-0.9%	-1.0%	-0.7%	-0.8%
Large Van	0.3%	-0.3%	-1.7%	-2.6%	-2.5%
Over 3.5T	-3.1%	-3.0%	-3.0%	-3.3%	-3.5%
All Terrain Workhorse	-0.6%	-1.2%	-1.4%	-1.4%	-1.3%
Forward Control Vehicle	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
Chassis - Derived	-2.5%	-2.7%	-2.8%	-3.1%	-3.2%
All Terrain Lifestyle/SUV	-2.4%	0.3%	0.6%	0.7%	-0.2%
Mini-bus	-1.0%	-1.0%	-1.1%	0.6%	0.7%
Vat Qualifying	-1.9%	-1.8%	-1.8%	-2.8%	-2.6%

Commercial editorial

By cap hpi

City van - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN					-4.1%
FIAT	-1.0%	-1.0%	-1.0%	-1.0%	-0.9%
FORD	0.3%	0.1%	0.0%	-0.2%	-1.0%
PEUGEOT					-6.0%
VAUXHALL				-1.0%	-1.0%

Small van - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN	-1.1%	-0.9%	-1.0%	-1.0%	-1.0%
FIAT	-1.0%	-1.0%	-1.1%	-1.0%	-0.9%
FORD	-0.5%	-0.3%	-0.5%	-0.6%	-0.8%
MERCEDES-BENZ		-1.0%	-1.0%	-0.9%	-1.0%
NISSAN	-0.9%	-1.1%	-1.1%	-1.0%	-0.9%
PEUGEOT	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
RENAULT	-1.0%	-1.1%	-1.0%	-1.0%	-1.0%
TOYOTA	-1.1%	-1.0%	-1.0%		
VAUXHALL	-1.0%	-1.0%	-1.0%	-1.0%	-1.3%
VOLKSWAGEN	-1.0%	-1.0%	-0.9%	-1.0%	-1.0%

Medium van - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN	-1.0%	-0.9%	-1.0%	-1.0%	-0.9%
FIAT	-1.0%	-1.0%	-1.5%	-2.0%	-2.0%
FORD	2.0%	2.0%	2.0%	2.0%	0.5%
HYUNDAI				-2.1%	-2.1%
MERCEDES-BENZ	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
NISSAN	-1.0%	-1.0%	-1.2%	-2.1%	-2.0%
PEUGEOT	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
RENAULT	-1.0%	-1.0%	-2.3%	-2.9%	-3.0%
TOYOTA	-1.0%	-1.1%	-1.0%	-0.9%	-1.0%
VAUXHALL	1.9%	1.9%	2.0%	0.0%	-1.1%
VOLKSWAGEN	-5.9%	-5.9%	-3.5%	-1.0%	-1.0%

Commercial editorial

By cap hpi

Large van - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN	-3.0%	-2.9%	-3.0%	-3.0%	-3.0%
FIAT	-1.0%	-1.1%	-1.2%	-3.0%	-3.0%
FORD	0.0%	0.0%	0.0%	-2.0%	-2.0%
IVECO	-1.0%	-1.0%	-2.0%	-3.0%	-3.0%
LDV			-2.0%	-1.8%	-2.0%
MAN	6.9%	6.9%	6.9%	6.9%	6.9%
MAXUS	-1.0%	-1.1%			
MERCEDES-BENZ	2.9%	2.3%	-5.9%	-3.9%	-2.8%
NISSAN	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
PEUGEOT	-2.9%	-3.1%	-3.0%	-3.0%	-3.0%
RENAULT	-1.0%	-1.0%	-2.6%	-2.9%	-3.0%
RENAULT TRUCKS UK	-1.4%	-1.3%	-1.4%	-3.0%	-3.0%
VAUXHALL	-5.4%	-7.9%	-7.9%	-7.9%	-7.9%
VOLKSWAGEN	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

All Terrain (Lifestyle SUV and workhorse sectors)

Please note, the guide prices we publish in all sectors are for vehicles as they appear in the vehicle manufacturer's price list and do not include any manufacturer's optional extras, third-party extras or ancillary equipment.

This is a particularly relevant point for 4x4 Pickups. Many of them seen at auction have extras fitted to them including lockable load covers or hardtops and winches etc., which are highly desirable to retail buyers.

All Terrain Lifestyle SUV - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
FIAT	-2.0%	-1.8%	-1.9%	-2.0%	-1.8%
FORD	-6.0%	-6.0%	-6.0%	-6.0%	-5.9%
GREAT WALL			-4.1%	-4.0%	-3.8%
ISUZU	-0.8%	0.6%	1.0%	0.9%	1.0%
MERCEDES-BENZ		2.0%	2.0%	2.0%	2.0%
MITSUBISHI		-0.1%	-0.1%	-0.1%	0.0%
NISSAN	-2.0%	-2.0%	-2.0%	-2.0%	-1.9%
SSANGYONG	1.0%	0.9%	0.9%	1.0%	1.2%
TOYOTA	-1.0%	2.7%	3.9%	4.0%	3.9%
VAUXHALL					-0.9%
VOLKSWAGEN		-1.0%	-1.0%	-1.0%	-1.0%

Commercial editorial

By cap hpi

All Terrain Workhorse - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
DACIA	1.0%	0.9%	1.0%	0.7%	1.0%
FORD	-4.0%	-4.1%	-4.1%	-3.9%	-4.1%
ISUZU	-1.0%	-2.1%	-2.9%	-3.0%	-2.9%
LAND ROVER	-1.0%	-1.0%	-0.9%	-1.0%	-1.0%
MERCEDES-BENZ				-1.2%	-1.1%
MITSUBISHI		-2.6%	-2.5%	-2.4%	-0.7%
NISSAN	-1.1%	-1.0%	-1.0%	-1.0%	-0.9%
SSANGYONG			-0.9%	-0.7%	-1.2%
SUZUKI	8.9%				
TOYOTA	-1.0%	-1.0%	-0.9%	-1.0%	-1.0%

Ken Brown

LCV Valuations Editor

February 2023

HGV market overview

The market has suffered from that January feeling. You know, a little down in the dumps after Christmas, cold weather, long dark nights, things appear bleak, and you look forward to better times! Well, the used HGV market is currently a little down in the dumps, with values being pressured and the hope that better weather will produce more trade and that values will stabilise.

The average number of trucks seen at auctions decreased as expected last month, January traditionally being a slow month, with less stock offered. That said stocks of both trucks and trailers were considerably higher than in January 2022 when sales were stronger. In fact, last month the average number of trucks at auctions was at its highest January level since 2020.

Stocks remain high, despite a small reduction last month, but sales activity did increase as the month progressed, which is a good sign. Many vehicles, including some late registered examples, struggled to find new homes, and those that were purchased were at values lower than in previous months.

The result is that many values have reduced this month and whilst demand may be depressed by current economic factors, strikes and the war in Ukraine it is a little concerning that the indications are that values may be in for a period of instability.

Dealers report that, trade is patchy with fewer enquires, but this is often the case in winter. As the trade re-appears from hibernation activity normally increases but the feeling is that it may be well into spring before it recovers to any noticeable extent, if at all.

Manufacturers report continued healthy sales. Low stocks of rigid vehicles make such vehicles attractive, especially when underwritten by a manufacturer service history and a good warranty, so they have little difficulty concluding a sale.

Finally, as parts shortages prevail, vehicles showing any sign of requiring any mechanical reparation are finding difficulty finding buyers. Even late vehicles with illuminated dashboard warning lights are being shunned or they attract lower bids.

Used truck and trailer statistics

Over the last month the average number of truck entries at auctions decreased by just over 17% whilst the number of on-the-day sales increased by 27.5%. Sales were 15.9% less than during January last year when the average number of entries per auction was 22.4% less than this year.

Trailer entries decreased by just over 16% since last month but sales increased by 4.2%. Sales were 24% more than during January last year when the average number of entries was 19.4% less than this year.

Over the previous month the number of vehicles under seven years of age decreased by almost 27% whilst vehicles over nine years old increased by almost 5.5%. Trailers saw a decrease of 44% in those under seven years of age and a decrease of almost 1% of those over nine-year-old.

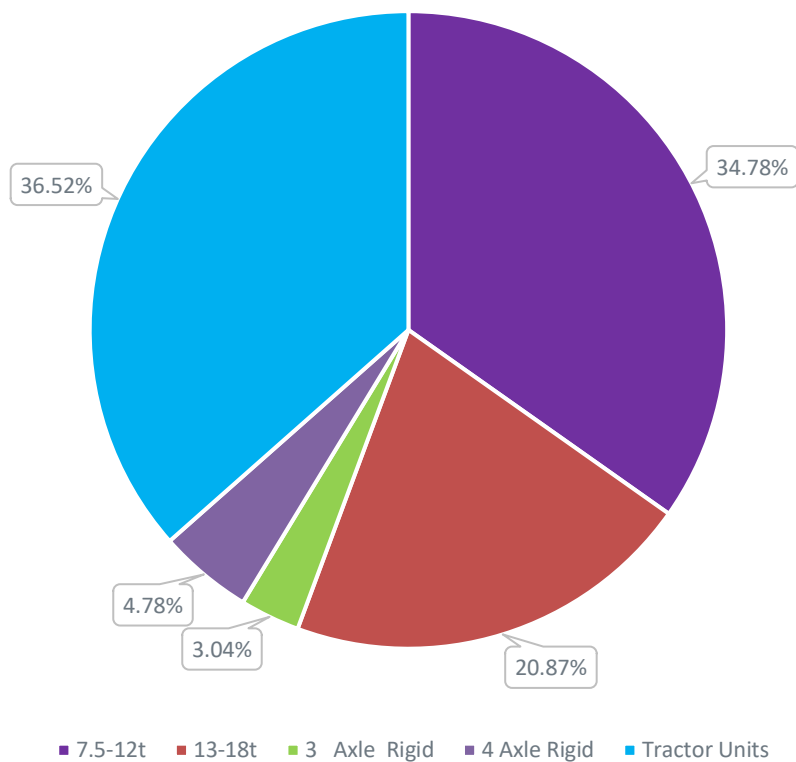
Commercial editorial

By cap hpi

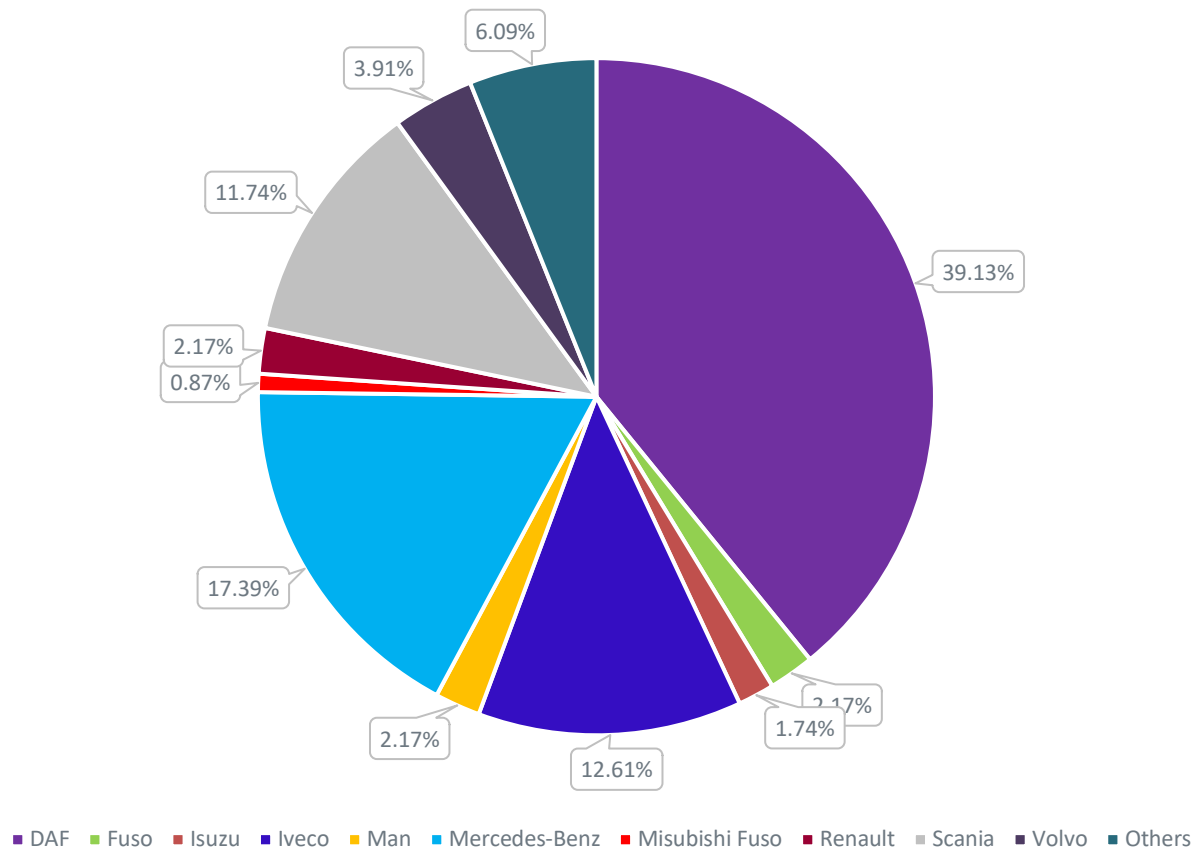
The above statistics are based on ten auctions and 1,320 total lots offered up to and including the 23rd January, and as always, we remind you that these are 'hammer sales' on-the-day and provisional sales which are subsequently successfully converted are not included.

Details of vehicles sales this year which are under 11 years old and which were in average condition recorded up to the above date are recorded on the following two charts.

Sales by vehicle type as a % of total sales in average condition



Sales by manufacturer as a % of total sales in average condition

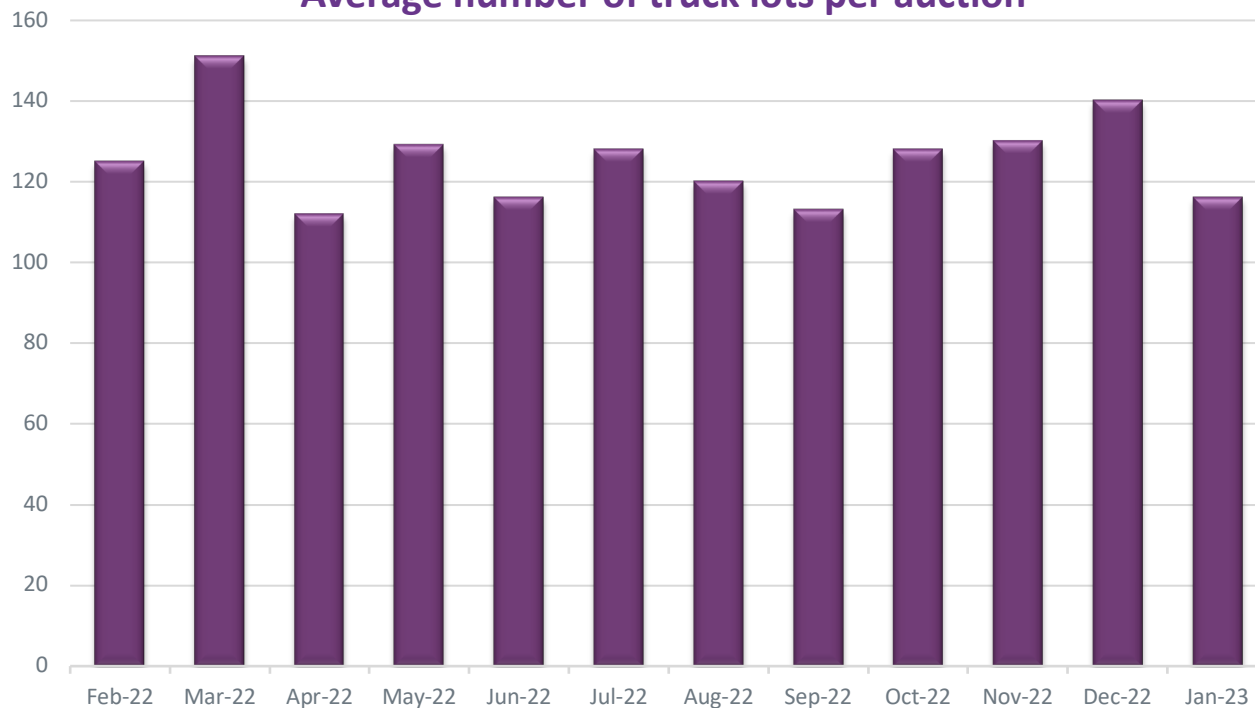


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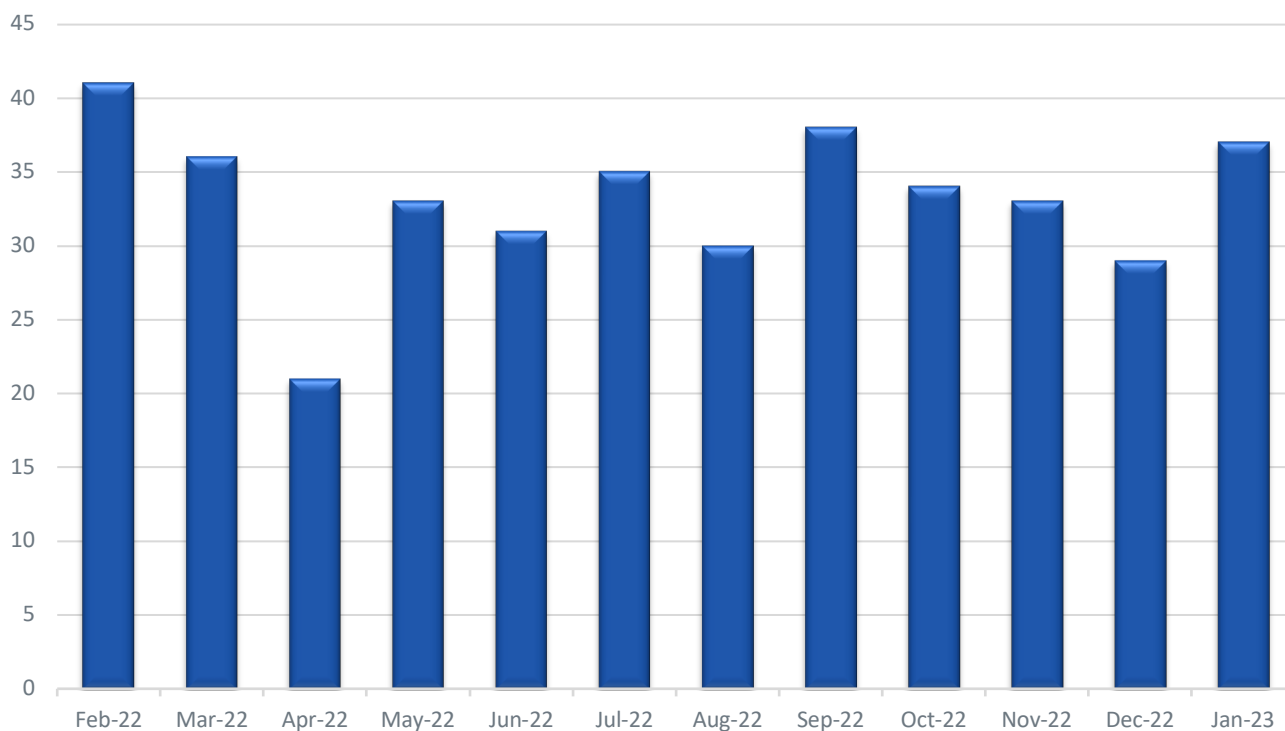
By cap hpi

The two graphs below firstly illustrate the average number of truck lots which have been available at auctions each month followed by the average number of truck sales as a percentage of the average number of truck lots.

Average number of truck lots per auction



Trucks - average sales %

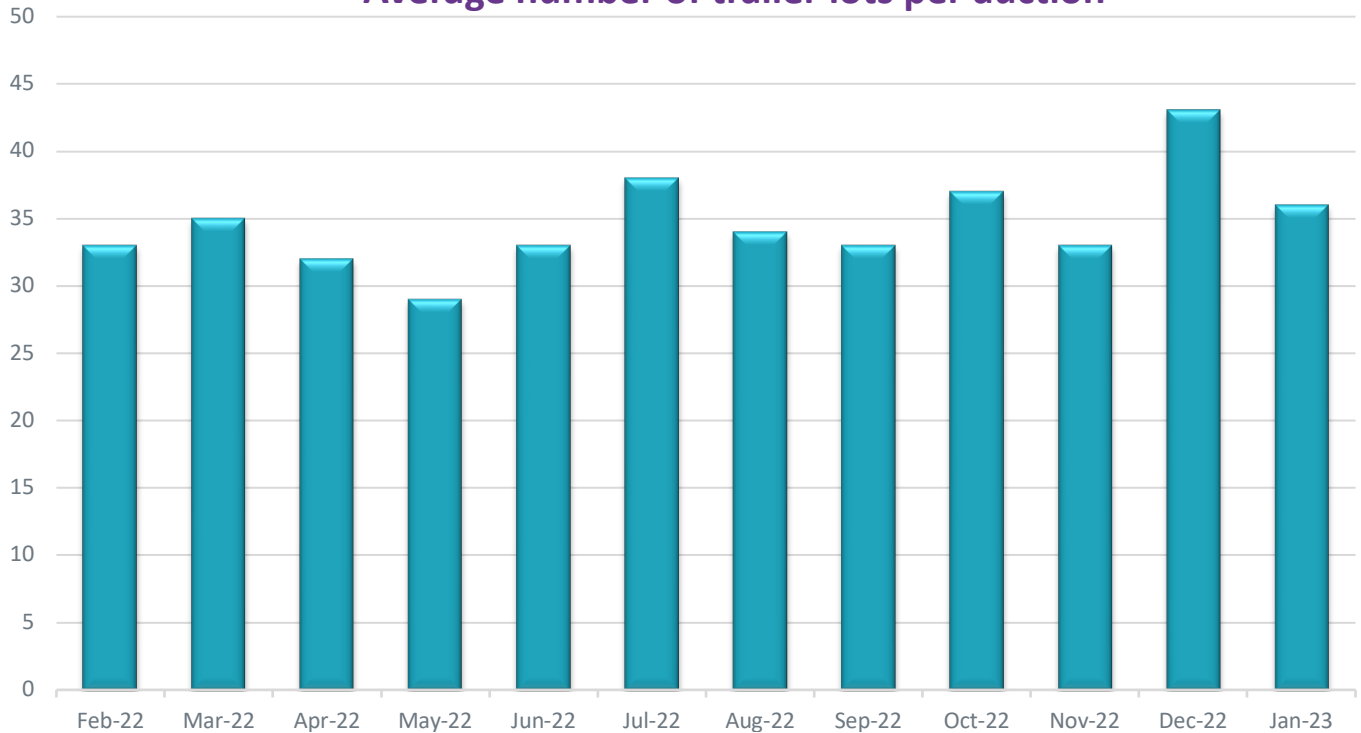


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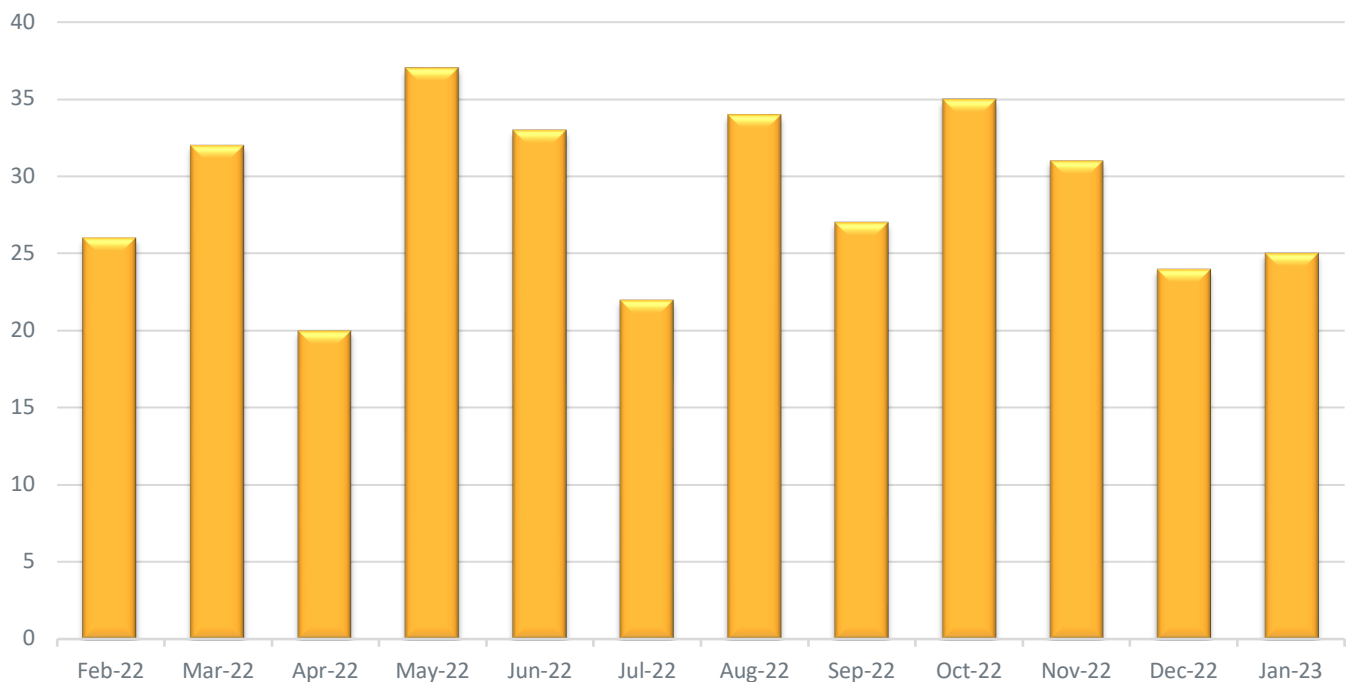
By cap hpi

The next two graphs below firstly illustrate the average number of trailer lots which have been available at auctions each month followed by the average number of trailer sales as a percentage of the average number of trailer lots.

Average number of trailer lots per auction

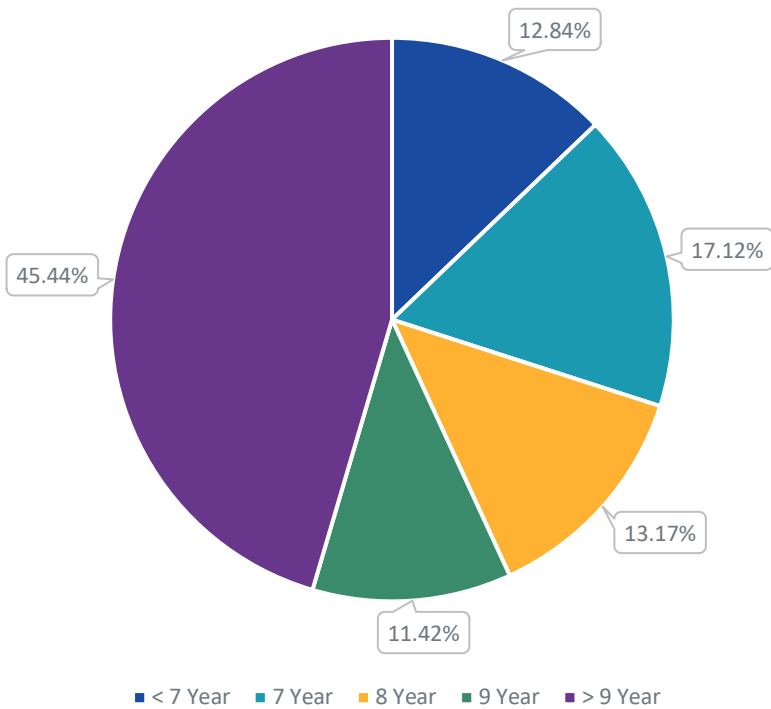


Trailers - average sales %

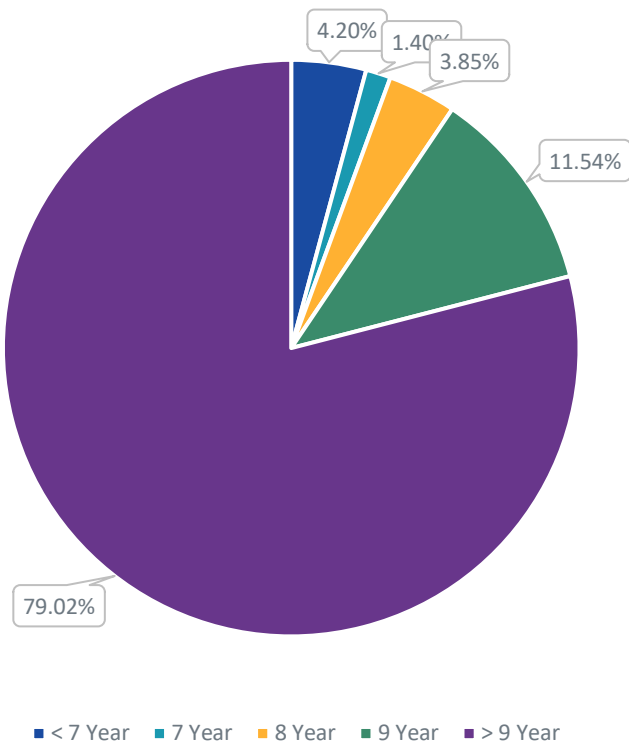


The following illustrates the age profile of trucks and trailers seen at auctions during 2023. The age of entries shown as a percentage of the total truck and trailer lots viewed.

Truck auction lots by age



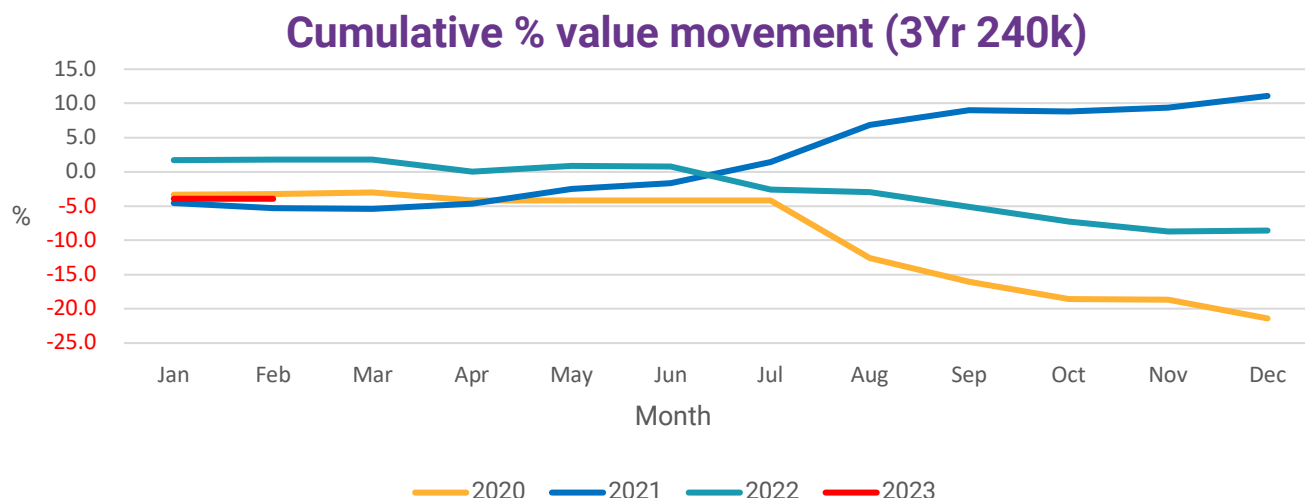
Trailer auction lots by age



Commercial editorial

By cap hpi

Finally, the following graph illustrates the cumulative % value change over recent years.



Figures for all the above graphs are correct up to and including 23rd January 2023.

Sector Summary

This month's research indicates that:

- 7.5t to 12t – Values of all Euro types have fallen again as stocks increase.
- 13t to 18t – Same as the above sector in that the values of most types have again fallen.
- Multi-wheel rigids – Values for three axle vehicles have declined, especially so Euro 6. Four axle Euro 6 vehicles have seen some values decline dependent on manufacturer, with some suffering more than others.
- Tractor units – Values of Euro 6 three axle models have generally declined, some more than others, but there are those some values which have remained stable. Euro 5 models have suffered likewise. The values of Euro 5 4x2 tractor units generally remained stable, but most Euro 6 models have seen values fall.
- Trailers – Curtain and skeletal values are declining whereas values of most other types have remained steady.

7.5t to 12t vehicles

7.5 tonne Euro 6 boxes are plentiful and are struggling to find buyers. Those that do sell are at declining values. Other derivatives are available, but numbers are less, even so trade being what it is values are declining on these types too.

We continue to have more trucks than buyers and values continue to suffer. With so many vehicles needing to find new homes the only way to sell them is by reducing the reserve values but this will directly impact of values going forward.

Non-standard vehicles are seeing the opposite effect due to their scarcity with examples of dropsides with cranes and tippers with grabs being fought for and are selling for strong money.

Commercial editorial

By cap hpi

13t to 18t vehicles

Values of most Euro 6 types have again fallen, however the number of DAF LF fridges in the market has again abated recently helping their values remain stable this month.

A good number of ten-year-old Scania P230 fridges from a supermarket chain all sold when they appeared at auction as did a sprinkling of much newer 14 tonne and 16 tonne DAF curtains helped by sensible reserves and being in a tidy condition, which always helps.

Skips remain plentiful and 18 tonne boxes and curtains continue to appear regularly at auction with most being new enough to muster some interest, but sales are not always forthcoming.

Multi-wheelers

Values of all Euro derivative three axle vehicles have fallen again as have the values of most four axle types.

8x4 tippers have been less numerous recently and are starting to find more attention being paid to them, especially those with grabs.

Boxes, curtains and fridges are less copious at the moment but even so when they do appear interest is not to the point where good money is paid, not even for low mileage stock.

Drawbar rigs, consisting primarily of boxes and car carriers along with refuse vehicles continue to appear but little interest is being shown in them.

Tractor units

4x2 values have remained generally unchanged for Euro 5 models but Euro 6 values have seen a reduction for most models.

6x2 tractor units remain increasingly plentiful and most values have decreased. Even Euro 5 values which were showing signs of improvement recently have suffered this month.

The number of Volvo FH's for sale remains high but so too are Mercedes-Benz Actros and DAF XF's. Most other marques can be easily found especially in fleet specification.

It's worth repeating what we said last month; 'If the number of tractor units continue to increase it will be bad news for values which are already falling'.

Trailers

The number of trailers decreased last month whilst the number of sales increased a little. Curtains remain the most numerous types, but the number of skeletal trailers is on the increase.

Whilst stocks may have fallen, they still remain high, and it is currently a buyers' market for many types.

Post-Christmas de-fleets have yet to arrive in any number which could well be a good thing, but we will have to wait and see if the number of new arrivals increases dramatically.

Commercial editorial

By cap hpi

With only around 20% of trailers seen being under 9 years of age, the remaining 80% have little value in them for the most part with many needing some rectification work prior to use. As a result, it is generally only ready to run trailers which are achieving first time sales.

Rob Smith

HGV Valuations Editor

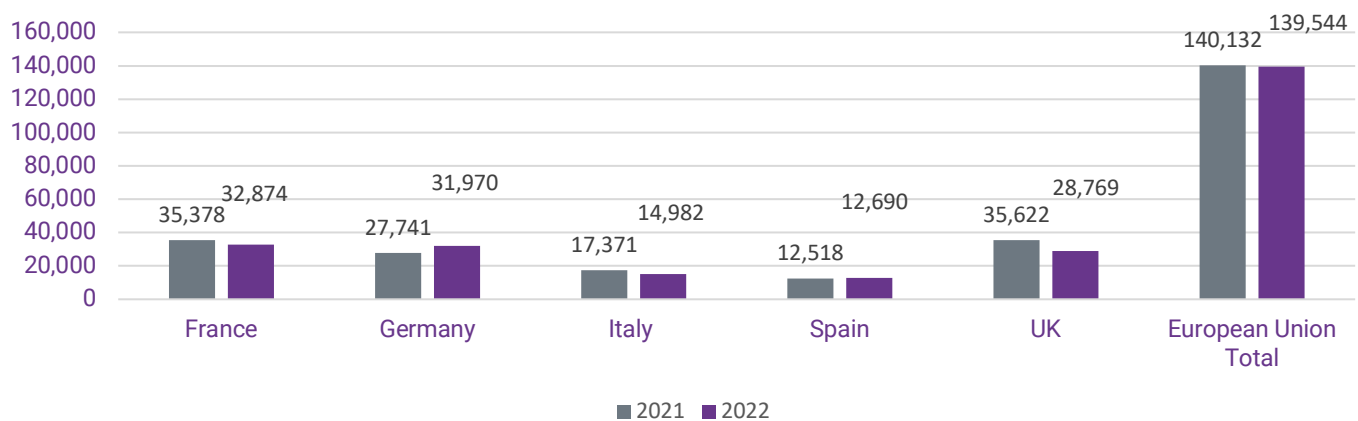
February 2023

HGV extra

New commercial vehicle registrations, from January to October 2022 overall declined by -15.7%

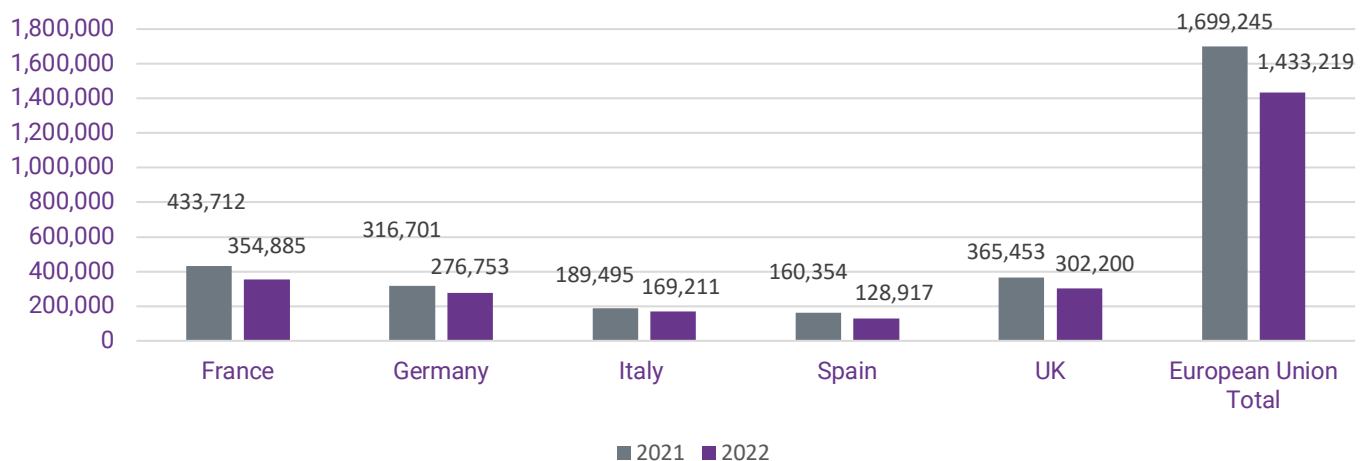
November 2022 commercial vehicle registrations were released by Brussels it showed a small overall decline of -0.4%. Making a continuous decline over recent months. The HCV>16t (heavy commercial vehicles of 16t and over) had vast improvements in November. However, this was insufficient to make up for the poor performances of the other commercial vehicle sectors. The four largest markets which we report on show varied results across all domains. For the month Germany was leading the way at +15.2% (4229 units more than the previous month of November 2021). Spain fairs slightly with +1.4% on last year's results. Italy had a poor result at -13.8% followed by France -7.1%. The United Kingdom (UK*) always estimated, the number of units at -19.2%, fewer than 6,853 units than the previous November 2021.

November 2022. Total New Commerical Vehicles LCV<3.5t, MHCV>3.5t



January to November 2022, overall showed a slowdown of registrations shrunk by -15.7% in the same period in 2021. Less than 266,026 vehicles were registered. All four major markets showed double-figure declines. Spain -19.6%, France -18.2%, Germany -12.6% and Italy -10.7%. The UK* didn't fair any better at -17.3% equating to 63,253 units.

Total New Commerical Vehicles LCV<3.5t, MHCV>3.5t Y-T-D



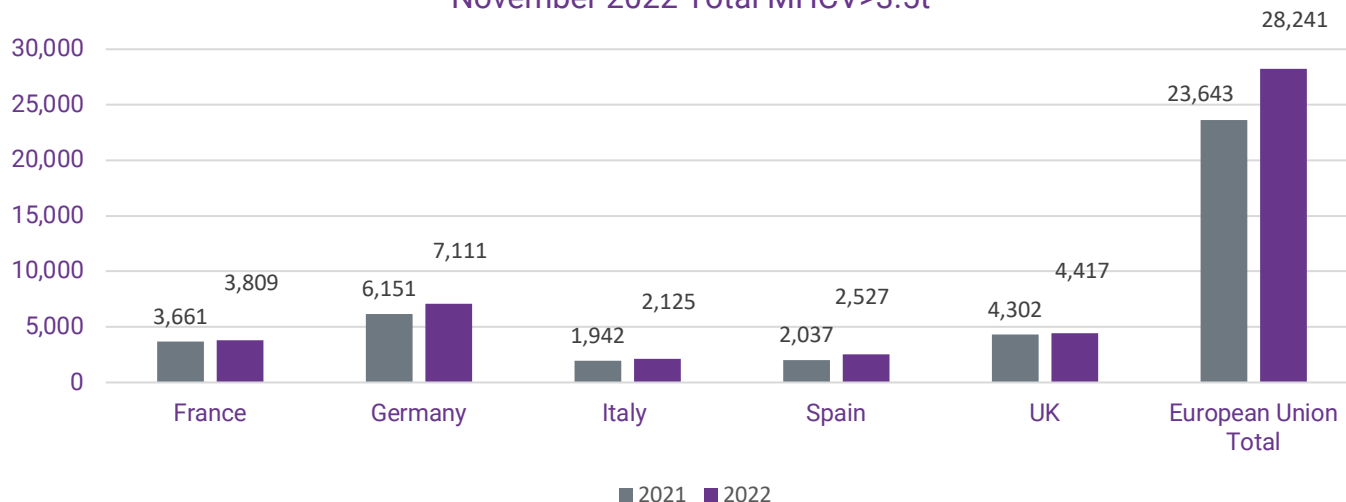
Commercial editorial

By cap hpi

New medium and heavy commercial vehicle (MHCV) over 3.5t

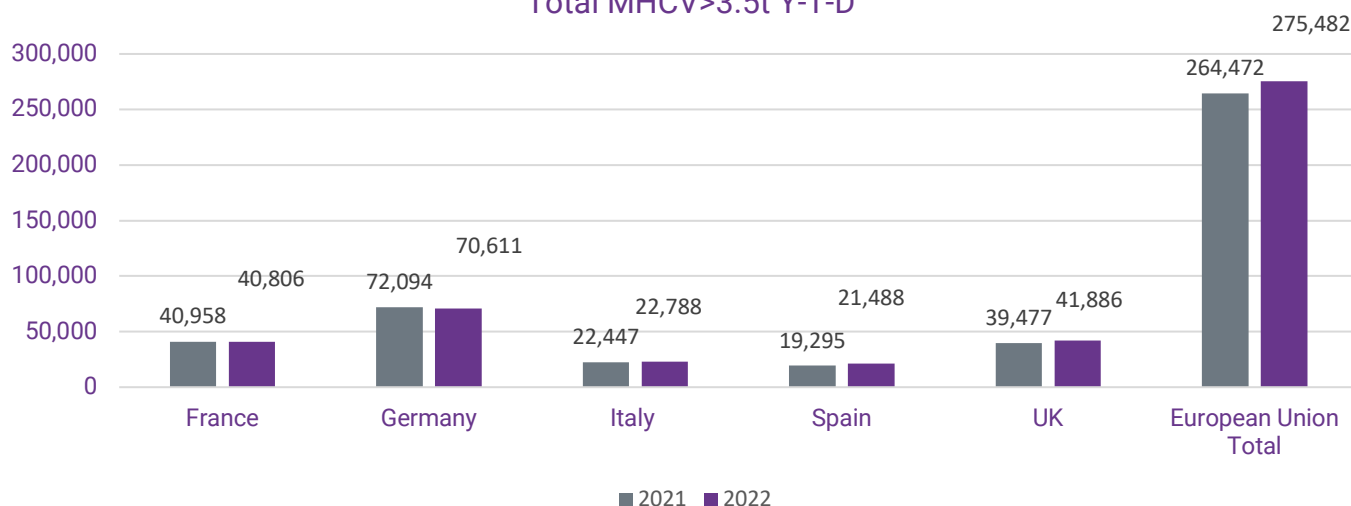
Overall this sector did not perform too poorly in reporting a +19.4% comparing the same period in 2021. The situation was particularly positive in the four major markets Spain showed the greatest +24.1%, Germany +15.6%, Italy +9.4% and France +4.0%. The UK* also gained a small positive growth +2.7%.

November 2022 Total MHCV>3.5t



In the first eleven months of 2022, the MHCV sales of newly registered vehicles reached a +4.2% positive growth. Equating to 11,010 more units against the same period in 2021. The recent strong performances contributed to the cumulative performance entering into a new positive zone. Spain +11.4% and Italy +1.5%. France and Germany are still in negative figures -0.4% and -2.1% retrospectively. The UK* fared a little better, showing a +6.1% increase of 2,409 units for the eleven months.

Total MHCV>3.5t Y-T-D



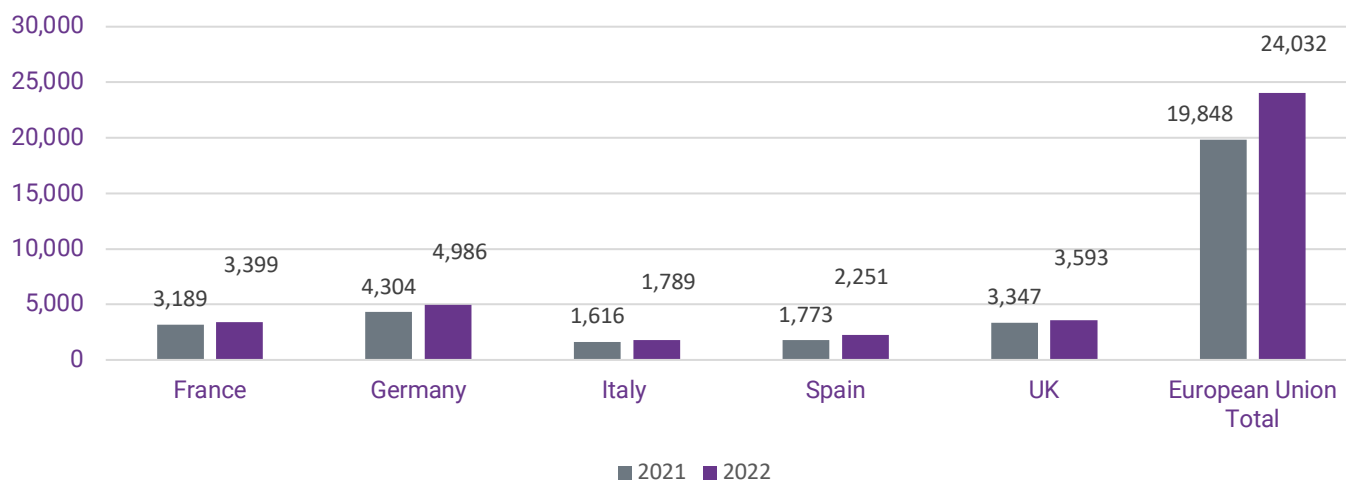
New heavy commercial vehicle (HCV) over 16t

November saw an expansion in the HCV market at a colossal +21.1%. All four countries featured did well. Spain came out the strongest at +27.0% 478 more units than the previous year. Germany +15.8%, Italy +10.7% and France +6.6%. The UK* was similar to France at +7.3%, with only 246 units more than the previous year.

Commercial editorial

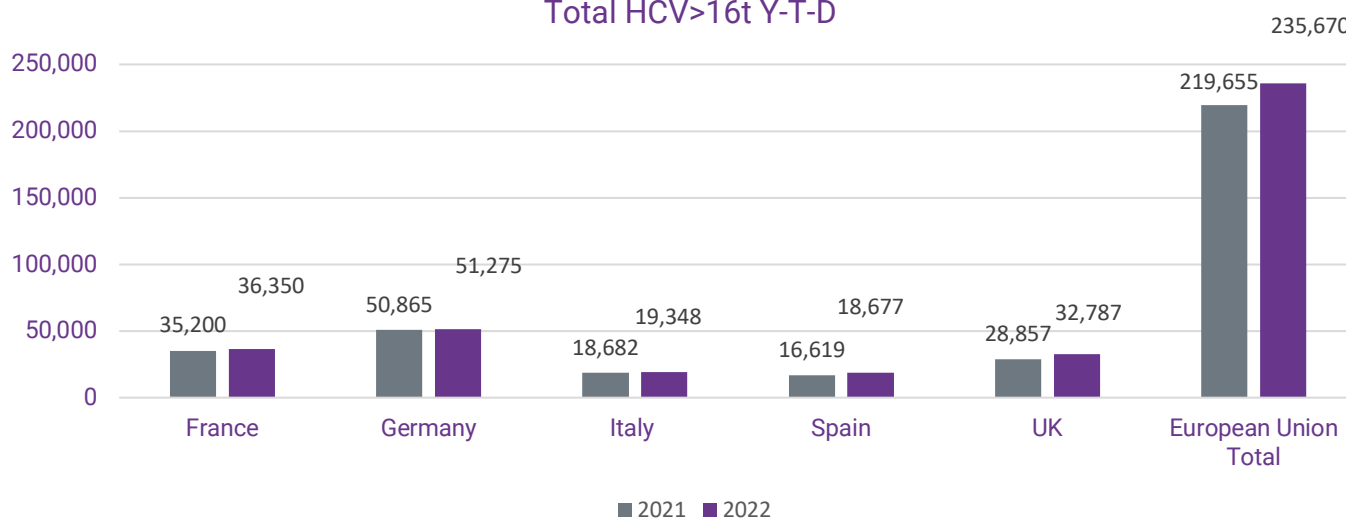
By cap hpi

November 2022 Total HCV>16t



Eleven months into 2022 showed a +7.3% on the same period in 2021. Equating to 235,670 units registered. 16,015 units more than the previous. The four major markets all showed positive figures, Spain showed a strong +12.4% comparison in 2021. Italy + 3.6%, France +3.3% and Germany +0.8%. The UK* also doing well at +13.6% with more than 3,930 units.

Total HCV>16t Y-T-D



The figures are showing that the HCV>16t and over is holding the overall figures in a positive range. Even out of the four largest markets they are struggling to obtain a general positive growth. Just one more month to see the comprehensive picture for 2022.

Helen Simpson

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